

*The City of Carlsbad Housing & Neighborhood Services*  
**A REPORT TO THE HOUSING  
COMMISSION**

Staff: David de Cordova  
PRINCIPAL PLANNER  
Item No. 1

**DATE:** September 19, 2013

**SUBJECT:** Draft 2013-2021 Housing Element (part of GPA 07-02 – General Plan Update)

**I. RECOMMENDATION**

That the Housing Commission hold a public hearing and **ADOPT** Housing Commission Resolution No. 2013-002 recommending to the Planning Commission and City Council **APPROVAL** of the draft 2013-2021 Housing Element (General Plan Amendment – GPA -07-02), based upon the findings contained therein.

**II. BACKGROUND AND DISCUSSION**

**A. Overview**

The city is updating its General Plan Housing Element to address housing in Carlsbad for the 2013-2021 housing planning period (see subsection B for more information on the planning period). A copy of the draft 2013-2021 Housing Element is attached to Exhibit 1 (to see how the draft element differs from the existing 2005-2010 Housing Element, a strikeout and underline version of the existing element is available at [www.carlsbadca.gov/envision](http://www.carlsbadca.gov/envision)).

The purpose and requirements of the Housing Element are described in Section 4.1 (Introduction) of the draft 2013-2021 Housing Element. In summary, the Housing Element provides a) an assessment of both current and future housing needs and constraints in meeting these needs; and b) a strategy comprised of housing goals, policies, and programs to meet the city's housing needs.

The draft Housing Element identifies strategies and programs that focus on:

1. Conserving and improving existing affordable housing;
2. Maximizing housing opportunities throughout the community;
3. Assisting in the provision of affordable housing;
4. Removing governmental and other constraints to housing investment; and
5. Promoting fair and equal housing opportunities

A primary focus of the draft 2013-2021 Housing Element is to demonstrate that the city has a sufficient amount of land designated at appropriate housing densities to accommodate

Carlsbad's share of the Regional Housing Needs Assessment (RHNA), which is an estimate of the number of housing units needed to accommodate the projected population growth of all income groups (through the year 2021). See subsection E for more information on how the city accommodates its RHNA share.

B. Housing Planning Period

State law requires every city and county in California to:

1. Adopt a housing element as part of its general plan that demonstrates the community's housing needs can be accommodated; and
2. Update the housing element per a state-specified schedule

State law now requires housing elements to be updated every eight years (the law required previous housing elements to be updated every five years) to reflect a community's changing housing needs. The previous (2005-2010) housing planning period for the San Diego region was extended by state legislation (SB 575) to align local housing elements with regional transportation planning. Therefore, the city's 2005-2010 Housing Element covered the period spanning July 1, 2005 through April 29, 2013. The proposed 2013-2021 Housing Element update covers the planning period of April 30, 2013 through April 29, 2021. Per state law, the city is required to do a mid-cycle update (2017) to verify Carlsbad's housing needs are still being accommodated; and a comprehensive update of the Housing Element will be required at the end of the eight-year planning period.

C. Comprehensive General Plan Update

The Housing Element is being updated concurrently with the city's comprehensive General Plan update (GPA 07-02). The Housing Element is an integrated part of the General Plan, but is updated more frequently (per state law) to ensure its relevancy and accuracy. As an eight-year plan covering the 2013-2021 period, the Housing Element differs from the city's other General Plan elements, which cover a much longer period (through year 2035).

The draft 2013-2021 Housing Element sites inventory (Appendix B of the draft element) includes sites where, as part of the comprehensive General Plan update, land use designation changes are proposed to increase allowed residential density; these properties were identified through the extensive Envision Carlsbad public participation process (community workshops, survey and citizens committee), which resulted in the preferred land use plan for the General Plan update (see subsection H for more information on public participation). In September 2012, the City Council accepted the preferred land use plan and authorized staff to utilize the plan during the preparation of the General Plan update.

Since the Housing Element and General Plan update are intended to be approved by the City Council concurrently, the draft 2013-2021 Housing Element is written as if the land use designation changes proposed by the General Plan update have been approved. However, during the public hearing process for the General Plan update, the City Council may decide to

modify the proposed land use designation changes; any such modification will be reflected in the Housing Element.

D. Housing Element Programs

The programs proposed in the draft 2013-2021 Housing Element are substantially the same as those in the 2005-2010 Housing Element. Appendix A of the draft 2013-2021 Housing Element provides a summary of the city's accomplishments in implementing the programs of the 2005-2010 Housing Element. Some of the programs were completed and are not necessary to continue; other programs are of an ongoing nature and are proposed as part of the draft 2013-2021 Housing Element.

The 2005-2010 Housing Element contained programs that required the city to amend its General Plan and Zoning Ordinance to increase residential capacity to accommodate lower and moderate income households, and to establish or amend city regulations related to housing for persons with disabilities, farm laborers and homeless persons, and alternative, transitional and supportive housing. All of those amendments were completed. Of particular note are the programs that required properties to be redesignated to allow higher residential densities to accommodate the RHNA identified in the 2005-2010 Housing Element. In February and March 2013, the City Council approved General Plan land use and zoning amendments for the Barrio and Quarry Creek areas; these amendments resulted in increased capacity to accommodate 693 lower income units and 329 moderate income units, which, combined with capacity on other sites throughout the city, is sufficient to satisfy the city's RHNA requirement identified in the 2005-2010 Housing Element.

The draft 2013-2021 Housing Element includes two programs that requires the city to amend its policies and regulations; draft Program 3.3 requires an update to the city's density bonus regulations and draft Program 3.14 requires an update to the city's transitional and supportive housing regulations. City staff is currently processing the update to the density bonus regulations; if the update is adopted by City Council prior to adoption of the draft 2013-2021 Housing Element, Program 3.3 will be modified to remove the update requirement.

E. Adequacy of Sites in Meeting the RHNA for the draft 2013-2021 Housing Element

To demonstrate that the city can accommodate its share of the RHNA for the draft 2013-2021 Housing Element, the sites inventory for the draft element relies, in part, on the land use designation changes proposed by the General Plan update (see subsection C). As Table A shows, the proposed sites inventory for the draft element has the capacity to accommodate the city's RHNA. There is a surplus of land that can accommodate lower income housing (these sites are designated to allow a minimum of 20 dwelling units per acre). Although Table A indicates a deficit of land to accommodate moderate income housing (sites designated to allow a minimum of 12 dwelling units per acre), the surplus of land designated at higher densities can be applied to satisfy the moderate income RHNA. More information about the sites inventory and other housing resources can be found in Section 4.3 (Resources Available) of the draft 2013-2021 Housing Element. A map of the sites inventory can be found in Appendix B of the draft element.

**Table A**  
**Draft 2013-2021 Housing Element – Adequacy of Sites in Meeting RHNA, by Household Income<sup>1</sup>**

Site Type	Very Low	Low	Moderate	Above Moderate	Total
Units constructed and approved in development projects	46	123	167	935	1,271
Units that can be accommodated on vacant land	1,103	704	399	1,622	3,828
Units that can be accommodated on underutilized land	1,102	140	264	550	2,056
<b>Total</b>	<b>2,251</b>	<b>967</b>	<b>830</b>	<b>3,107</b>	<b>7,155</b>
RHNA	912	693	1,062	2,332	4,999
<i>Surplus/Deficit</i>	<i>1,339</i>	<i>274</i>	<i>-232</i>	<i>775</i>	<i>2,156</i>

<sup>1</sup> The sites inventory will be updated to reflect any land use designation changes that occur as a result of the General Plan update.

#### F. Growth Management

The city's Growth Management Program limits the number of dwelling units that can be built in each of the city's four geographic quadrants (northwest, northeast, southwest and southeast). The northwest, southwest and southeast quadrants have sufficient capacity to accommodate the number of units identified in the draft 2013-2021 Housing Element while remaining below the Growth Management dwelling unit limits.

Of the four quadrants, the northeast quadrant has the least amount of residential capacity remaining; to ensure that the Growth Management dwelling unit limit for the northeast quadrant is not exceeded, potential residential density on one or more of the proposed housing sites in that quadrant may need to be reduced at the time of approval of the General Plan and Housing Element updates. Staff's future recommendation to the City Council for approval of a draft General Plan and Housing Element will ensure compliance with the city's Growth Management dwelling unit limits, as well as sufficient residential land to accommodate the city's RHNA. See Section 4.4.2 of the draft 2013-2021 Housing Element for more discussion on the city's Growth Management Program.

#### G. Housing Element Process

The California Department of Housing and Community Development (HCD) reviews housing elements to determine that they are in compliance with state law. On July 25, 2013, the city submitted its draft housing element to HCD for review. HCD staff completed their initial review of the draft element and requested some changes, which have been made and are incorporated in the draft 2013-2021 Housing Element attached to Exhibit 1 of this report.

With incorporation of these changes, HCD issued their review letter on September 10, 2013 confirming that the draft 2013-2021 Housing Element complies with state law. With HCD's determination of compliance, the draft element can be adopted by the City Council. Public hearings before the Planning Commission and City Council for the General Plan and Housing Element updates are anticipated to begin in January 2014. Following City Council adoption of the Housing Element, it will be resubmitted to HCD for a final determination of compliance with state law.

Obtaining the state's finding of compliance is important: without it the city would not be eligible for certain types of grant funding and, if challenged, a court could determine that the city's General Plan is invalid.

#### H. Public Participation

As mentioned above, the draft 2013-2021 Housing Element has been prepared concurrently with a comprehensive update of the city's General Plan. The General Plan update process (a.k.a. Envision Carlsbad) has involved extensive community participation. Approximately 8,000 community members directly participated in activities such as workshops, community surveys, and other public meetings. Products of this outreach effort are the Carlsbad Community Vision, which articulates what the community values most for Carlsbad's future, and the preferred land use plan, which is being utilized to help guide the General Plan update process.

As part of the stakeholder outreach specific to housing, from January through May 2009, the city conducted several small group meetings with for-profit and not-for-profit housing providers, as well as organizations working with homeless individuals and people with disabilities. The city also held a developer forum (June 2011) to understand potential constraints to the production of housing (market rate and affordable), and a housing stakeholder forum (March 2012) specifically focused on affordable and multi-family housing and the draft Housing Element. The city encouraged participation by representatives of organizations serving low-income and special needs groups.

More information about the public participation described above can be found in Section 4.1 (Introduction) of the draft 2013-2021 Housing Element. Future opportunities for public input on the draft Housing Element include review of the element on the city's website ([www.carlsbadca.gov/envision](http://www.carlsbadca.gov/envision)), submitting written comments to the city and attending public hearings.

#### I. Next Steps

The following is a summary of the next steps related to the processing of the draft 2013-2021 Housing Element:

- Release draft General Plan for public review (end of September 2013). Note: the draft 2013-2021 Housing Element was previously released for public review (July 2013)
- Begin public review (45-day) of Program Environmental Impact Report for General Plan and Housing Element update (anticipate October 2013)
- Public hearing process (following Housing Commission recommendation)
  - Planning Commission (anticipate January 2014), includes General Plan update
  - City Council (anticipate February/March 2014), includes General Plan update
- Submit City Council approved 2013-2021 Housing Element to HCD for certification (following City Council adoption)

#### **IV. ENVIRONMENTAL IMPACT**

CEQA analysis of the Housing Element update is being conducted as part of the Program Environmental Impact Report currently being prepared for the comprehensive General Plan update.

#### **V. EXHIBITS**

1. Housing Commission Resolution No. 2013-002, including attachment: City of Carlsbad Draft 2013-2021 Housing Element
2. Review letter from California Department of Housing and Community Development, dated Sept. 10, 2013